

LAW OFFICES
SHOOK, HARDY & BACON

TWENTIETH FLOOR MERCANTILE BANK TOWER

1101 WALNUT

KANSAS CITY, MISSOURI 64106

(816) 474-6550

TELEX 42-6291 TELECOPIER (816) 421-5547

OVERLAND PARK, KANSAS OFFICE
40 CORPORATE WOODS, SUITE 850

9401 INDIAN CREEK PARKWAY

P. O. BOX 25128

OVERLAND PARK, KANSAS 66225

(913) 383-3555

CHARLES L. BACON
DAVID H. CLARK
LANE D. BAUER
FRANK P. SEBREE, II
FREDERICK BEHL
WILLIAM W. SHINN
JOHN C. DODS
DONALD K. HOEL
JOHN T. MARTIN
DAVID W. SHINN
WILLIAM K. WAUGH, JR.
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WILLIAM G. ZIMMERMAN
ROBERT C. NORTHRIP
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ANNE E. GOOS
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ANDREW SEE
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ANNE K. SHUTTEE
MARIE S. WOODBURY
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TIMOTHY J. KENNEDY
NEIL E. SPRAGUE
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RICHARD M. WRIGHT, JR.
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KEVIN R. SWEENEY
W. WOODY SCHLOSSER
CAROL F. FOWLER
CLYDE W. CURTIS
ANTHONY J. ANDRADE

JAMES H. OTTHAN
OF COUNSEL

*ADMITTED IN KANSAS AND MISSOURI
ALL OTHERS ADMITTED IN MISSOURI

FRANK P. SEBREE
1854-1940

SAM B. SEBREE
1888-1938

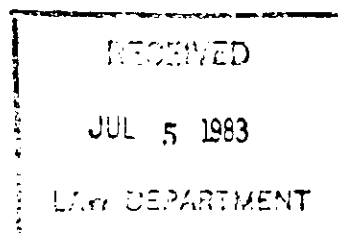
EDGAR SHOOK
1894-1970

DAVID R. HARDY
1917-1976

June 29, 1983

Joseph Greer, Esq.
Arnold Henson, Esq.
Alexander Holtzman, Esq.
Ernest Pepples, Esq.
Arthur J. Stevens, Esq.
S. B. Witt III, Esq.

Gentlemen:



Dr. Carlos Hilado is a consulting toxicologist who we have worked with in the area of fire safety and state regulatory matters. We are recommending that he be retained as an industry consultant for one year at an amount of \$48,000 (\$4,000 per month) to be paid from Special Fund 4.

Dr. Hilado's primary areas of expertise are combustion research and inhalational toxicology (see enclosed curriculum vitae) and he is a consultant for Brown & Williamson. Not only has he been enormously helpful in analyzing all aspects of the "fire-safe cigarette" issue, but he has located a number of highly qualified experts who also have been helpful. We understand that his consultancy with B&W probably will continue and, in that regard, is not related to the consultancy proposed herein.

Recently, Dr. Hilado has become interested in the indoor air quality issue, especially as it relates to California. His familiarity with and knowledge of the regulatory process coupled with his extensive contacts with scientific/technical people make Dr. Hilado well situated to help us on the nonsmoker issue. Given the fact that California is the scene of a great deal of antismoking legislative and regulatory activity, we believe that Dr. Hilado can be instrumental in helping the industry avoid unjustified regulation and restriction.

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One direct application of Dr. Hilado's scientific experience would be the identification of potential witnesses in the field of indoor air quality. These would include not only mechanical engineers familiar with the technologies of ventilation and air cleaning (e.g., ASHRAE/BOCA), but also toxicologists and other biomedical scientists who could evaluate claims regarding alleged health effects related to tobacco smoke in indoor atmospheres. Based on the quality of Dr. Hilado's work on the fire safe cigarette issue, it is our view that he will be able to assist us in evaluating claims regarding health effects and criticizing weaknesses in research methodology and proposed technical standards and regulations.

We believe that Dr. Hilado would be an important industry resource and recommend that a Special Fund 4 consultancy be approved.

Your earliest possible response would be appreciated.

Sincerely,



Patrick M. Sirridge

PMS:sh
Enc.

cc: Ms. Janet C. Brown
Edwin J. Jacob, Esq.
Francis K. Decker, Jr., Esq.